

OFFICE OF THE COMMISSIONER OF CUSTOMS (EXPORT)

JAWAHARLAL NEHRU CUSTOM HOUSE, SHEVA,

RAIGAD, MAHARASHTRA.

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(Referred / amended vide P.N.No. [59/2011](#), [36/2011](#), [21/2011](#), [18/2011](#), [43/2014](#))

Sub: [CBEC Circular no. 4 / 2011](#) dated 10.01.2011 and [Notification No. 96/2010](#) dated 12.11.2010 on Clarifications/modifications in Handling of Cargo in Customs Areas Regulations, 2009 reg.

Attention of the Members of Trade and Industry, including all persons responsible for receipt, storage, delivery, dispatch or otherwise handling of imported goods and export goods in any capacity in a Customs area is invited to the Handling of Cargo in Customs Areas Regulations, 2009. These regulations were examined by the Parliamentary Committee on Subordinate Legislation and as per the recommendations of the Committee, CBEC has made the following modification/amendments in the Handling of Cargo in Customs Areas Regulations, 2009 vide [Notification No. 96/2010](#) dated 12.11.2010 and [CBEC Circular no. 4/2011](#) dated 10.01.2011 and the salient features are indicated in the following paragraphs.

2. (A) The regulation 5 of regulation of Handling of Cargo in Customs Areas Regulations, 2009 has been amended to the extent as follows namely -

Regulation 5-Conditions to be fulfilled by Customs Cargo Service provider The Customs Cargo Service provider shall fulfill the following conditions to the satisfaction of the Commissioner of Customs for custody of imported goods or export goods and for handling of such goods in a Customs area:

(1) The Customs Cargo Service provider has to provide the following:

(i) Infrastructure, equipment and adequate manpower for loading, unloading, stacking, handling, stuffing and de-stuffing of containers, storage, dispatch and delivery of containers and cargo etc., including:-

- (a) standard pavement for heavy duty equipment for use in the operational and stacking area;
- (b) the **CCSPs shall provide free of cost or rent, fully furnished office accommodation**, EDI service center along with basic amenities and facilities. Further, it has also been made mandatory to **CCSPs to provide residential accommodation and transport facilities to the Customs staff.**
- (c) **premises for user agencies with basic amenities and facilities;**
- (d) storage facility, separately for imported, export and transshipment goods;
- (e) gate complex with separate entry and exit;
- (f) adequate parking space for vehicles;
- (g) boundary wall;
- (h) internal service roads;
- (i) electronic weigh-bridge and other weighing and measuring devices;
- (j) computerized system for location and accountal of goods, and processing of documents;
- (k) adequate air-conditioned space and power back up, hardware, networking and other equipment for secure connectivity with the Customs Automated system; and for exchange of information between Customs Community partners;
- (l) facilities for auction, including by e-auction, for disposal of uncleared, unclaimed or abandoned cargo;
- (m) facilities for installation of scanning equipment;
- (n) security and access control to prohibit unauthorized access into the premises, and
- (o) such other facilities as the Commissioner of Customs may specify having regard to the custody and handling of imported or export goods in a customs area;

(ii) safe, secure and spacious premises for loading, unloading, handling and storing of the cargo for the projected capacity and for the examination and other operations as may be required in compliance with any law for the time being in force;

(iii) insurance for an amount equal to the average value of goods likely to be stored in the Customs area based on the projected capacity, and for an amount as the Commissioner of Customs may specify having regard to the goods which have already been insured by the importers or exporters.

(2) Undertake to bear the cost of the Customs officers posted, at such customs area, on cost recovery basis, by the Commissioner and shall make payments at such rates and in the manner prescribed, unless specifically exempted by an order of the Government of India in the Ministry of Finance;

(3) Execute a bond equal to the average amount of duty involved on the imported goods and ten per cent of value of export goods likely to be stored in the customs area during a period of thirty days and furnish a bank guarantee or cash deposit equivalent to ten per cent of such duty:

Provided that the condition of furnishing of Bank guarantee or cash deposit shall not be applicable to ports notified under the Major Ports Act, 1962 (38 of 1963) or to the Central Government or State Governments or their undertakings;

(4) Execute a separate bond for an amount equal to ten percent of value of export goods with a bank guarantee for an amount equal to ten percent of the value of the bond, towards the export goods transported from the customs area to any other customs area for export or transshipment, as the case may be;

(5) Undertake to comply with the provisions and abide by all the provisions of the Act and the rules, regulations, notifications and orders issued there under.

(6) Undertake to indemnify the Commissioner of Customs from any liability arising on account of damages caused or loss suffered on imported or export goods, due to accident, damage, deterioration, destruction or any other unnatural cause during their receipt, storage, delivery, dispatch or otherwise handling. Hence, **all the CCSPs shall undertake to indemnify the Commissioner of Customs from any such liability by furnishing an indemnity bond.**

2.(B) The regulation 6 of Handling of Cargo in Customs Areas Regulations, 2009 has been amended to the extent as follows namely -in sub-regulation (3), after the words publish and display, the words at prominent places including website or webpage of

the Customs Cargo Service provider shall be inserted. Hence, the requirement of publishing a Schedule of Charges associated with various services in relation to imported or export goods in the Customs area and its display at prominent places including web page or website of the CCSP has been made mandatory.

2. (C) It has been further clarified that no exemption is available to existing Custodians / CCSPs in so far as provision of facilities and fulfillment of the prescribed conditions in Regulation 5 and 6, as applicable, within the specified limit are concerned. Further, custodians under the Major Port Trusts Act, 1963 and Airports Authority of India Act, 1994 shall not be required to make an application under Regulation 4 or 9 for approval or renewal under these regulations, **but they would be required to necessarily discharge the responsibilities cast upon them in terms of Regulations 5 and 6** of the regulations without any exception.

2. (D), It has been decided that **no relaxation or exemption from requirements on safety and security of premises shall be allowed** to the Custodians or Customs Cargo Service Providers in terms of provisions of Regulation 7 of the Handling of Cargo in Customs Areas Regulations, 2009. Also, keeping in view the paramount importance of overall safety and security of imported / export goods, detailed guidelines are being prescribed in order to ensure that all concerned persons ensure that suitable arrangements are put in place for safety and security of premises relating to imported or export goods. All custodians or Customs Cargo Service Providers shall ensure full compliance to safety and security of premises at the time of appointment of CCSP. Customs will also review such obligations of CCSPs who have been appointed earlier in terms of proviso to sub regulation (2) to regulation 10.

3. The guidelines on safety and security of premises where imported or export goods are loaded, unloaded, handled or stored are as follows:

- (i) The imported goods or export goods which are hazardous in nature, shall be stored at the approved premises of the CCSP in isolated place duly separated from other general cargo, depending upon classification of its hazardous nature such as Explosives (as defined under Rule 3 of Explosives Rules, 1983), Gases (Inflammable / Flammable Gases, Toxic/ non Toxic gases etc.), Flammable Liquids, Flammable Solids (Raw and wet Cotton, spontaneous combustible substances, substance emitting flammable gases in contact with water etc.), Oxidizing Substance & Organic Peroxide (Sodium peroxide, Barium Bromate, Peroxy acetic acid etc.), Poisonous & Infectious Substances (Tear Gas, Biological substances, Formic Acid, Arsenic Acid etc.), Radio Active Materials, Corrosives (Acetic Acid, Sulphuric Acid, Caustic soda etc.)

or any hazardous chemicals defined under Chemical Accidents (Emergency Planning, Preparedness, and Response) Rules, 1996.

- (ii) Safety plans, procedures, instructions for Safe handling and storage of hazardous goods including the procedure for reporting accidents to proper officer of Customs and appropriate State Authorities shall be available.
- (iii) Safety sign boards, signals should be displayed conspicuously; safety instructions and procedures shall be made available at the premises and the staff handling the goods should be familiar with all the pictorial indications or stickers used in international trade such as International Maritime Dangerous Goods code, other domestic legislations to identify hazardous goods.
- (iv) The premises should be equipped with adequate fire fighting apparatus, such as Fire extinguishers, Fire Hydrants, Fire Pumps, Fire hoses, Fireman outfits, Co2 fix systems. Further, in order to protect the premises against fire hazard, it would be necessary that fire preventive equipments such as automatic Fire detection and alarm system, Fire control plan, Nozzles, Smoke detectors, Temperature detectors, automatic sprinkler systems, sand boxes, emergency lighting system, water supply outlet, fire exit etc are also provided. General facilities such as ventilation, electricity system, emergency exit etc. shall also be provided. In addition to these, the premises and surrounding area shall be well illuminated, duly protected with spark arresters. No smoking signals should be properly displayed in the premises and the provisions banning smoking in public places as per Section 4 of Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003, shall be enforced.
- (v) The space allocated for storage of hazardous cargo within the premises should be of proper construction including appropriate heat or fire resistant wall, RCC roofing, flooring. Such area shall be situated at a minimum distance of 200 meters away from main office, administrative, customs office building so that the storage of hazardous cargo is in such a manner that it does not endanger the people working in the premises. Further, the open space, provided for movement, total covered area for storage of containers shall be in such manner that they do not hinder movement of persons, evacuation of goods in case of emergency. The premises used by CCSP for storage of hazardous cargo shall also fulfill the standards or norms prescribed, in National Building Code of India (Part 4 - Fire and Life safety specify the requirements for fire prevention, life safety in relation to fire and

- fire protection of buildings necessary to minimize danger to life and property from fire) or by the concerned State/ Central Governments for fire safety.
- (vi) The material handling equipments including cranes, lifts, hoists, reach stackers, tractors, trucks and other vehicles for movement or transport of goods and other machines used in the premises for handling of cargo shall be in conformity with the safety standards prescribed for such equipments.
 - (vii) The Custodian shall provide appropriate Contingency plan to handle emergency situation when there is an immediate danger to personnel, cargo or other infrastructure in the premises; Further the custodian shall provide acquaintance or training of their staff for proper implementation and to comply with these contingency plans, maintenance & readiness of all the equipments.
 - (viii) The Custodian shall provide Medical First Aid Kits within the premises; he shall provide appropriate emergency medical services in case any person comes into contact with hazardous/ dangerous goods.
 - (ix) The security and safety of the premises shall be assigned to specified persons working therein so that necessary services in case of emergency such as fire fighting, fire brigade, fire tenders shall be obtained in time to prevent, control and extinguish fire.
 - (x) Handling of hazardous cargo within the premises, transportation of hazardous cargo between the premises and port terminals or other authorized places is secured through authorized vehicles with proper safety indications.
 - (xi) The provisions of the Hazardous Waste (Management, Handling, Transboundary) Rules, 2009 and the Manufacture, Storage and import of Hazardous Chemical Rules, 1989 and other relevant rules and regulations prescribed by the Government shall be adhered to in respect of storage and handling of such goods.
 - (xii) The Custodian shall provide appropriate procedure for receipt, handling, delivery of hazardous cargo in such a manner that the same does not hinder the movement of general cargo or endanger the safety and security of the premises.

4. The aforesaid guidelines have been provided in order to ensure that the CCSP receiving, storing, dispatching or otherwise handling of imported goods and export goods of hazardous nature at the approved premises is handled in safe and secure

manner. The CCSPs who intend to store, receive, dispatch or handle the hazardous cargo or hazardous cargo along with other general cargo at their premises, may apply to the Commissioner of Customs latest by 21st Feb, 2010 along with the requisite particulars so that the same can be verified for compliance in terms of Regulation 10 (2) and for issue of necessary permission.

5. It is further clarified that **no CCSP would be allowed to handle, store, receive or dispatch the hazardous cargo w.e.f. 01.03.2011 unless they are authorized for the same by the Customs department.**

6. Any difficulties experienced in this regard may be brought to the notice of undersigned immediately.

Sd/-

(SUSHIL SOLANKI)
Commissioner of Customs (Export)
JNCH, Nhava Sheva